1:Stanford U. S-4, 5 1956 AF14 Central China AF14

Sugar Refining

One of the principal light industries of this region is sugar refining, which is concentrated in Kwangtung Province. Before the war with Japan there were six modern sugar refineries in Kwangtung.[35] A 1954 Communist report mentioned the existence of four government plants located at Tung-huan, Shun-te, Shih-t'ou, and Chieh-yang. A fifth plant was scheduled for construction under the Five-Year Plan. Output of the plants accounted for one-third to one-half of the country's total production of refined sugar in 1953.[36] A small sugar refinery is also being built in Hainan.[37] In order to supply the refineries, domestic machinery is produced at the Tung-yung Machinery Plant in Canton.[38]

Other Industries

Among other industrial activities in this region is the production of the Canton Paper Mill. Expansion of the plant under the Five-Year Plan was reportedly begun in 1954.[39] According to the Communists, the plant will become the largest producer of newsprint in Mainland China.

A 1950 report mentioned the existence of 79 mills in Central-South China, with a total daily capacity of almost 49,000 bags (48.4)

35. Newspaper Reading Handbook, p. 499.

36. NCNA, Oct. 30, 1954, and Sept. 2, 1954, Hong Kong, pp. 109-13.

37. NCNA, Feb. 2, 1955.

38. Ibid., Sept. 2, 1954. 39. Ibid., Sept. 24, 1954.

1:Stanford U. S-4, 5 1956 AF14 Central China AF14

pounds each) daily capacity (24 hours).[40] Actual production in the early phase of Communist rule, however, lagged behind the industry's potential capacity.

Finally, the tobacco industry of Honan Province is concentrated in the Hsü-ch'ang area. There were reported to be 172 tobacco manufacturers in the Central-South Region as a whole; production in 1949 approximated 10 per cent of the country's total output. This latter figure excludes the smaller producers and refers only to tobacco produced locally in the Hsü-ch'ang area.

Conclusion

The above review of individual industries, while necessarily brief and sometimes incomplete, nevertheless points out quite unmistakably the relative backwardness of the Central-South provinces, even for a country like Communist China, in industrial development. That industrial backwardness may carry with it certain advantages for the Communists' efforts to socialize private business will be discussed in the following chapter. However, it would appear that for some time to come the Central-South Region will remain a primarily agricultural economy. Wuhan, Canton, Chengchow, and Hsiang-t'an are known as major industrial centers, but the region as a whole will continue to be dependent industrially on other regions of China.[41]

---

40. China's Industry, Vol. II, No. 6, Shanghai, October 1950, p. 4.

41. [See following page.]